

HR & EMPLOYMENT LAW INSIDER: YOUR MONTHLY UPDATE

May 2025









RECENT AND FUTURE CHANGES



RECENT CHANGES

NEW INTERIM PUBLIC GUIDANCE ON THE EQUALITY ACT 2010 MEANING OF 'SEX'

Following the UK Supreme Court's judgment last month in case 'For Women Scotland v The Scottish Ministers', the Equality and Human Rights Commission (EHRC) have issued an interim update on the practical implications of the ruling.

In summary however, this ruling now legally requires employers to treat 'sex' under the Equality Act 2010 to mean biological sex. In other words:

- A 'woman' is a biological woman or girl (a person born female)
- A 'man' is a biological man or boy (a person born male)
- If somebody identifies as trans, they do not change sex for the purpose of the Equality Act, even if they have a Gender Recognition Certificate (GRC)
- A trans woman is a biological man
- A trans man is a biological woman.

This is an exceptionally sensitive and intricate issue that demands careful and considerate handling due to its significant implications.

The EHRC are expected to announce later this month, the launch of a new public consultation regarding a new Code of Practice following the Supreme Court's decision in this case. It is understood that the consultation will run between 19 May to 30 June. Once closed, they will consider responses and then submit a draft Code to the Minister for Women and Equalities for approval and laying in Parliament.

EMPLOYMENT RIGHTS BILL UPDATE

Further to last month's update, we continue to expect the Bill to become an Act of Law around July 2025 – so not too far away! In our last update, the Bill was due to be discussed at the Committee stage, and it took place on 29 April. During which, a further 104 pages of proposed amendments to the Employment Rights Bill were tabled as part of this stage.

The amendments cover a wide range of clauses and schedules within the bill, addressing various aspects of employment rights and regulations, and despite there being multiple amendments put forward, it is unclear as to how many would be accepted. To give you an idea of what they cover, the amendments deal with:

- Clause 1 Amendments relating to minimum guaranteed hours: These include changes to the language around
 offering employment terms, specifying reference periods for guaranteed hours, and defining the minimum number of
 hours. There are also amendments focused on excluding small and micro businesses from certain provisions and
 addressing how hours are calculated in certain contract arrangements.
- Clause 2 & 3 Amendments relating to the cancellation or curtailment of shifts: These involve modifications to the conditions under which employers must provide reasonable notice and how shifts are defined and changed.
- **Schedule 1 & 2 Amendment** relating to detailed changes of how certain clauses are applied: concerning agency workers and employment tribunals. They also include amendments to the Insolvency Act 1986 and the Employment Tribunals Act 1996.
- Clause 21 Amendments relating to sexual harassment: These amendments focus on the definition and application of "harassment" in the context of third-party harassment by removing the word 'sexual'.
- Schedule 3 Amendments: These amendments primarily concern the provisions related to probationary periods and unfair dismissal

As we wrote last month, given the prediction that the Bill could become an Act of Law from July, we could still see several reforms coming in as early as from October 2025.



PROPOSED REFORMS TO THE SKILLED WORKER ROUTE AND SPONSORSHIP SYSTEM

This week (12 May), the Government announced proposals to reform the Skilled Worker Route and Sponsorship System. Key proposed reforms impacting employment include:

- 'Lift the level for skilled workers to RQF 6 and above.
- Increase salary thresholds
- Increase the Immigration Skills Charge by 32% in line with inflation
- Close social care visas to new applications from abroad (for a transition period until 2028, visa extensions and incountry switching for those already in the country with working rights will be permitted)
- Establish the 'Labour Market Evidence Group' to draw on the best data available to make informed decisions about the labour market and the role that different policies should play, rather than relying on migration
- Launch new requirements for workforce strategies for key sectors where there are high levels of recruitment from abroad
- Establish a new Temporary Shortage List to provide time limited access to the Points-Based immigration system
- Occupations below RQF 6 must be listed on the Temporary Shortage List in order to gain access to the immigration system
- Access to the Points-Based immigration system will be limited to occupations where there have been long term shortages, on a time limited basis, where the MAC has advised it is justified, where there is a workforce strategy in place, and where employers seeking to recruit from abroad are committed to playing their part in increasing recruitment from the domestic workforce
- Explore ways for employers who use the immigration system, are incentivised to invest in boosting domestic talent, including options to restrict employers sponsoring skilled visas if they are not committed to increasing skills training
- Introduce reforms to allow a limited pool of refugees classed as 'United Nations High Commissioner for Refugees'
 (UNHCR) and displaced people to apply for employment through existing skilled worker routes, where they have the
 skills to do so
- Ensure that the very highly skilled have opportunities to come to the UK and access our targeted routes for the brightest and best global talent. Increasing the salary thresholds for skilled worker visas
- Rise in the general salary threshold for the Skilled Worker visa from £26,200 to £38,700, but with the Health and Care visa route exempt.'

Page 73 'Restoring Control over the Immigration System, May 2025'.

There are also several reforms that will impact on study, these include:

- Strengthen the requirements that all sponsoring institutions must meet in order to recruit international students
- Raise the minimum pass requirement of each Basic Compliance Assessment (BCA) metric by five percentage points
- Implement a new Red-Amber-Green banding system to rate the BCA performance of each sponsor, so that it is clear
 to them, the authorities and the public which institutions are achieving a high rate of compliance, and which are at
 risk of failing
- Introduce new interventions for sponsors who are close to failing their metrics, including placing them on a bespoke action plan designed to improve their compliance, and imposing limits on the number of new international students they can recruit while they are subject to those plans
- Require all sponsors wishing to use recruitment agents for overseas students to sign up to the 'Agent Quality
 Framework', designed to maintain the highest standards of agent management, and ensure that institutions cannot
 simply outsource their responsibility to ensure that the individuals whose visas they are sponsoring are genuinely
 coming to the UK to study
- Ensure there are arrangements, for future international student recruitment, for sponsoring institutions to demonstrate that they are considering local impacts when taking its decisions on international recruitment
- The Government to conduct a review of the Short-Term Study accreditation bodies to ensure that their processes are robust and consider what further checks need to be put in place to ensure the right level of scrutiny is being applied both before an organisation is accredited, and when that accreditation is renewed
- Reduce the ability for Graduates to remain in the UK after their studies to a period of 18 months
- Explore introducing a levy on higher education provider income from international students, to be reinvested into

Page 74 'Restoring Control over the Immigration System, May 2025'.



FUTURE CHANGES (CURRENT BILLS PROGRESSING THROUGH PARLIAMENT)

EMPLOYMENT RIGHTS BILL

There is a realistic chance that the Employment Rights Bill becomes as Act of Law (given Royal Assent) around July. However, it doesn't mean that the reforms suddenly come into force. For most, we need further Regulations, Codes of Practices and guidance, and so most reforms will come into force in 2026.

There are, however, several that have the potential for commencing this year, and possibly around October. This is because they don't need further Regulations, or any further guidance or statutory Codes of Practices developing and being consulted upon. We continue to monitor the Bill and research the latest thinking from leading employment Barristers and other specialists, and through this, there are a few reforms that we could expect to see in force from as early as October 2025. For instance:

- The banning of 'fire and rehire' by making a dismissal for refusing changes to terms and conditions of employment unfair
- Increasing the time limit for bringing claims from three months to six
- Introduce some of the Trade Union reforms
- Expand the legal duty when making decisions in flexible working cases by requiring employers not only meeting one (or more) of the statutory decline reasons, but that the decision must be reasonable.
- Categorisation of complaints of sexual harassment as qualifying disclosure for whistleblowing purposes.

It is difficult at this point to know what to do to prepare and for what, but our advice would be to start planning now. Understand all the reforms, not just those anticipated for this year, keep up to date with developments and carry out your own impact assessment by considering the reforms in the context of your own business.

We are developing our own impact assessment templates and will be published in due course. Each of these will take a specific area of reform and sets out key questions to help you to understand what the reforms mean to your business.

DATA (USE AND ACCESS) BILL

The '<u>Data (Use and Access) Bill</u>' (DUAB) looks to harness the power of data to grow the economy, improve public services and enable and support modern digital government and to make people's lives easier.

The Bill, having started in the House of Lords, is progressing through parliament relatively quickly having first been published in October 2024. It is now in its final stages of having amendments considered, before it then is

passed to the King for being given Royal Assent, i.e. becoming an Act of Law.

We understand that it is likely the reforms to our data protection laws will also come into force from next year, giving employers time to prepare for the changes. Under the Bill, the reforms include:

- Clearer Automated Decision-Making (ADM) rules and introducing new rules for defining 'solely automated' decisions and to requires human review for significant ADM.
- Limit DSAR scope to reasonable and proportionate searches and clarifying proportionality for data searches
- Align Privacy and Electronic Communication Regulations 2003 (PECR) with GDPR fines, and introducing a new PECR schedule to enable ICO enforcement
- Retain international transfer provisions with enhanced adequacy flexibility by allowing the Secretary of State to approve third countries. Also include materiality test to assess data protection standards
- Lists legitimate interest purposes for streamlined processing and adding qualified government power to update this list by regulation, subject to Parliamentary approval
- Broaden research exceptions and supports scientific data use, expand scientific research definitions and introduces flexible consent for scientific research.

Given it is at the final stages of becoming an Act of Law, we could therefore see this happen some point this month.

THE DOMESTIC ABUSE (SAFE LEAVE) BILL

This <u>Bill</u> proposes to provide employees who are victims of domestic abuse with up to 10 days paid leave each year to support in dealing with the many challenges experienced when trying to leave the relationship. This is currently at the 2nd reading in the House of Commons, so very early on in its passage through Parliament.

BULLYING AND RESPECT AT WORK BILL

This private members Bill if passed, would introduce a statutory definition of bullying at work. In addition, it would make a provision relating to bullying at work that includes enabling claims relating to workplace bullying to be considered by an employment tribunal. It would also introduce a Respect at Work Code that would set minimum standards for positive and respectful work environments and give powers to the Equality and Human Rights Commission to investigate workplaces and organisations where there is evidence of a culture of, or multiple incidents of, bullying and to take enforcement action. The Bill had its first reading in the House of Commons on 21 October 2024 and is due its second reading on 20 June 2025.



CHILDREN'S WELLBEING AND SCHOOLS BILL

This <u>Bill</u> is about the safeguarding and welfare of children, support for children in car, the regulation of care workers, establishments and agencies and independent educational institutions and inspections of schools and colleges, as well as dealing with teach misconduct. This Bill is currently at the Committee Stage in the House of Lords, after which a report will be published before it is then passed for its third and final reading.

FUTURE CHANGES (LEGISLATION BY COMMENCEMENT DATE)

SEPTEMBER 2025

1 September 2025 – The economic crime and corporate transparency Act 2023

This Act will make it an offence where certain organisation's (turnover greater than £36 million and more than 250 employees) have failed to prevent, or to have in place reasonable policies and procedures designed to prevent fraud. It includes where there has been fraud, false accounting, fraud by false representation, fraudulent trading and cheating the public revenue. Employers will be liable even if the fraud is committed by an associated person such as self-employed contractors, agency workers.

2026 AND BEYOND

1 July 2026 – The Drivers' Hours, Tachographs, International Road Haulage and Licensing of Operators (Amendment) Regulations 2022

The purpose of the Regulations is to implement fully some of the international road transport provisions in the Trade and Cooperation Agreement between the European Union and the United Kingdom. This includes prospective provisions related to drivers' hours rules and tachograph equipment in goods vehicles (such as bringing into scope some light goods vehicles and the introduction of new tachograph equipment). It also applies to some specialised international provisions and removes some access rights for EU operators to reflect the market access in the TCA.

The Terrorism (Protection of Premises) Act 2025 (Martyn's Law)

This Act received royal ascent on 3rd April 2025 however the regulator (Security Industry Authority - SIA) have said that there will be at least 24 months required in preparing for the law to come into force and so we exin which to prepare for the law coming into force

In the meantime, premises and events seeking advice on preparing for Martyn's Law should continue to look for Home Office updates. They can also access free technical guidance and operational advice on protective security on the government partner websites of the National Protective Security Authority and ProtectUK.

6 April 2028 - Pension age increase

The new normal minimum pension age will become 57 years from 2028, following the amendment to Part 4 of the Finance Act 2004 (pension schemes etc).

Pensions (Extension of automatic enrolment) Act 2023

This legislation removes the current age requirements for eligible workers to be automatically enrolled into a workplace pension. The current minimum age is 22 years, but this will be reduced to 18 years. No date has been set for when this <u>legislation</u> comes into force.

Paternity Leave (Bereavement) Act 2024

New <u>legislation</u> is to come into force that will provide new statutory rights for those taking paternity leave in cases where a mother, or a primary adopter, passes away. In this tragic situation, it will provide the other parent or partner who would have taken paternity leave with an automatic day-one right to take immediate paternity leave. We are waiting on a date for when this legislation comes into force. We expect it to be part of the forthcoming employment reforms.

FUTURE CHANGES (LEGISLATION BY DATE UNKNOWN)

SUNDAY TRADING – PROTECTION FOR SHOP WORKERS

The right of shop workers to opt out of working Sundays on religious or family grounds is to be extended to any 'additional' hours above their normal hours which they may normally be obliged to work if requested. The duty of employers to advise workers of these rights is also to be extended.

The Enterprise Act 2016 contains provisions to strengthen certain aspects of the protections given under the Employment Rights Act 1996 specific to shop and betting workers. This Act received Royal Assent, i.e. became law on 4 May 2016, but the provisions making the Sunday working amendments have not yet been brought into force.

In addition, the amendments to ERA 1996 envisaged the making of regulations as secondary legislation to fill in the detail of how the revised legislation would work, and that secondary legislation has not yet been published, although the power to make it is in force. With a change in Government since this came into force, the current Government have not given any indication that it intends to enact this legislation and so we have no precise indication as to when these changes will take effect, or if they will ever come into force.

CHILDREN AND SOCIAL WORK ACT 2017 WHISTLEBLOWING – PROTECTION FOR CHILDREN'S SOCIAL CARE APPLICANTS

Section 32 of the Children and Social Work Act 2017 when it commences will allow the Employment Rights Act of 1996, s 49C to enable the introduction of regulations that prohibit relevant employers from discriminating against an applicant for a children's social care position because it appears that they have made a protected disclosure. At this time, draft regulations are yet to be published.





CONSULTATION AND GUIDANCE

OPEN CONSULTATION

NEW PUBLIC CONSULTATION I GUIDANCE ON THE EOUALITY ACT 2010 MEANING OF 'SEX'

Following the Equality and Human Rights Commission's (EHRC) <u>interim guidance</u> on the practical implications of the UK Supreme Court's judgment in case '<u>For Women Scotland v The Scottish Ministers</u>', the EHRC have launched a new public consultation in which they are seeking views and feedback on a new Code of Practice.

As a reminder, the ruling now legally requires employers to treat 'sex' under the Equality Act 2010 to mean biological sex. In other words, a 'woman' is a biological woman (a person born female), a 'man' is a biological man (a person born male). That if somebody identifies as trans, they do not change sex for the purpose of the Equality Act, even if they have a Gender Recognition Certificate (GRC). Meaning a trans woman is a biological man and a trans man is a biological woman.

The consultation will run between 19 May to 30 June and once closed, they will consider responses and submit a draft Code to the Minister for Women and Equalities for approval and laying in Parliament.

EMPLOYERS INVITED TO PARTICIPATED IN THE ANNUAL LOW PAY COMMISSION CONSULTATION

Each year, the Low Pay Commission (LPC) recommends to the Government new minimum wage rates for the coming April. In readiness for their submission this autumn, the LPC have opened a <u>public consultation</u> in which it seeks views from members of the public and employers.

The consultation is now open and runs until 30 June 2025. If you would like to have your say, you can participate online here.

EQUALITY (RACE AND DISABILITY) BILL: MANDATORY ETHNICITY AND DISABILITY PAY GAP REPORTING

A consultation seeking views on how to implement ethnicity and disability pay gap reporting for large employers. The Aim is to create a more equal society by focussing on inequalities in the areas of ethnic minority and those who have disabilities.

The Government will ensure that ethnicity and disability pay gap reporting will address the fact that on average, ethnic minority groups earn less that white British peers and those with disabilities have lower average incomes than those who do not.

18 March 2025 to 10 June 2025 You can participate by completing the online questionnaire.

CONSULTATIONS WITH FORMAL RESPONSES PUBLISHED

HM TREASURY: TACKLING NON-COMPLIANCE IN THE UMBRELLA COMPANY MARKET

This public consultation was to tackle the widespread issue of non-compliance in the umbrella company market, which has consequently led to depriving workers of their employment rights, distorting competition in the labour market and leading to significant tax losses.

The Government consequently proposed the regulation of umbrella companies and set out options for improving tax compliance in the umbrella company market. As a result of the consultation, the Government will:

- 1. Table an amendment to the Employment Rights Bill to define umbrella companies and to allow for their regulation
- 2. Will not introduce a mandatory due diligence requirement as a way of tackling tax non-compliance but instead pursue an option that will be more effective in closing the tax gap, protecting the interests of workers, and providing a level playing field for compliant businesses. Although they are yet to set out what this will be
- 3. Legislate to make agencies that use umbrella companies to employ workers responsible for ensuring that the correct income tax and National Insurance contributions (NICs) are deducted and paid to HMRC. The agency supplying the worker to the end client will be legally responsible for operating PAYE on the worker's pay and will be liable for any shortfall (regardless of who operated the payroll).
- 4. Place the responsibilities of the employer for tax purposes with the agency that supplies the worker to the end client. It would mean that the agency would be legally responsible for the tax shortfall if the umbrella company failed to make the correct deductions.



MAKING WORK PAY: STRENGTHENING STATUTORY SICK PAY: CONSULTATION ON REMOVING THE CURRENT LOWER EARNINGS THRESHOLD FOR SSP QUALIFICATION AND TO REPLACE IT WITH A PERCENTAGE FIGURE BASED ON A WORKER'S EARNINGS

Following the public consultation, the Government have confirmed that the appropriate percentage rate of qualifying for SSP is 80% of the SSP flat rate, for those whose normal weekly earnings are less that the flat rate (currently £125).

This means that statutory sick pay for low earners will be variable, and they will receive the lower of 80% of their average weekly earnings or the current flat rate £118.75.

The other reforms already include the removal of the 'waiting days' and paying statutory sick pay from the first day of absence and the new enforcement body, the Fair Work Agency will have SSP compliance under their remit. As a result, they will be able to penalise employers for non-compliance (and will be able to bring tribunal claims on behalf of a claimant).

MAKING WORK PAY: CREATING A MODERN FRAMEWORK FOR INDUSTRIAL RELATIONS: A CONSULTATION ON HOW TO REFORM THE UK'S INDUSTRIAL RELATIONS

- Permit a 'single person' in the Central Arbitration Committee to decide on whether access should take place, where a proposed access agreement fulfils prescribed terms.
- Allow access agreements to cover virtual access making it possible to agree an access agreement covering solely digital access with no requirement for it to cover physical access
- Explicitly adding 'supporting a trade union member with an employment-related matter' as an access purpose
- Extending the industrial action mandate expiration to 12 months, from the current 6 months.
- Repeal the current 50% industrial action ballot turnout threshold subject to commencement on a date to be specified via secondary legislation
- Amending the notice period for industrial action from the current 7-day notice period rather than 10 days
- Remove the 10-year ballot requirement for political funds and including a requirement for trade union members to be reminded on a 10-year basis that they can opt out
- Extending the application of provisions and the Code of Practice on access and unfair practices during recognition and derecognition ballots to cover the entire recognition process.
- Require employers to share within 10 working days of the statutory application being submitted the number of workers in a proposed bargaining unit. Employers to be prevented from altering that number in relation to statutory recognition applications.
- Setting a maximum of 20 working days for an access agreement to be agreed and bring this forward to the point
 where the CAC accepts the union's recognition application. If no agreement, the CAC to adjudicate and issue an order
 requiring access to the workforce.
- Changing legislation to make it easier for unions to win cases where an unfair practice has occurred (i.e. unions would only need to show to the CAC that the unfair practice Government Response.
- Extending the time limit when a complaint against an unfair practice can be made after the closure of the ballot.
- Enable independent unions to apply for recognition where an employer has voluntarily recognised a non-independent union following receipt of a formal request for voluntary recognition by the independent union.

MAKING WORK PAY: COLLECTIVE REDUNDANCY AND FIRE AND REHIRE

The original Bill proposed to remove the 'at one establishment' test for the purpose of when collective consultation is triggered in a redundancy situation. Meaning, all redundancies across a business count towards the threshold for when to start collective consultation.

- Reinstating the 'one establishment' principal but, by develop Regulations that require a threshold to be set for when
 collective consultation is triggered.
- The threshold is likely to be based on either a percentage of the workforce or on a set number of redundancies. For example, the threshold is set at the lower of either X number of redundancies, or X% of the workforce.
- Double the maximum period of the Protective Award from 90 to 180 days
- Government to issue guidance on collective consultation
- Gather further views on strengthening the collective redundancy framework in 2025 and on updating the Code of Practice on Dismissal and Re-engagement in 2025 to ensure it reflects the changes to fire and rehire.



MAKING WORK PAY: ZERO HOURS CONTRACTS MEASURES TO AGENCY WORKERS

- Amend the Employment Rights Bill to include agency workers.
- The employment agency and the end hirer will be responsible for providing the agency worker with reasonable notice
 of shifts. The Employment Tribunal will be able to apportion liability based on the responsibility of each party in each
 case.
- The employment agency will have the responsibility to pay any short notice cancellation or curtailed payments
 however, they will be allowed to re-coup this from the hirer where they have arrangements with the hirer covering
 this.
- The Secretary of State will have the right to publish Regulations that stipulate the form and way an agency worker should receive notifications of shifts, cancellations or curtailments.
- The end hirer will have responsibility to offer guaranteed hours to qualifying agency workers.
- Where there is a genuine temporary work need, there will be an exception clause that allows an employer to lawfully not offer guaranteed hours.
- The current system of extended hire periods and transfer fees under The Conduct of Employment Agencies and Employment Businesses Regulations 2003 will continue to apply.

CLOSED PUBLIC CONSULTATIONS: RESPONSES BEING ANALYSED AND WAITING FORMAL RESPONSE:

TRIBUNAL PROCEDURE COMMITTEE

A consultation on further changes to the Employment Tribunal Rules where it is expected that rule changes will come into force later in 2025. The changes are unlikely to significantly impact current practice, however it is still worth employers knowing of the upcoming changes as it will impact on the technical procedures of managing a tribunal claims. The rules proposed include:

- More often be asked to submit a draft case management order
- Changes in the way an ET treats a failure to submit a reply to an employer's contract claim

We await the Government's response.

PATERNITY AND SHARED PARENTAL LEAVE

The Women and Equalities Committee (WEC) launched a call for written evidence on statutory paternity and shared parental leave to examine options for reform.

INOUIRY INTO GENDERED ISLAMOPHOBIA

This <u>public inquiry</u> ran between 13 February 2025 and 21 March 2025 and was in response to evidence that shows Muslim women and girls are much more likely to be victims of Islamophobic abuse than men.

COSTS PROTECTION IN DISCRIMINATION CLAIMS

- Consultation which sought views in respect of the current arrangements for bringing discrimination claims under the Equality Act 2010
- The Ministry of Justice is considering whether costs protection should be extended to all discrimination claims as currently it only applies in certain areas.
- Costs protection applies in certain circumstances, and when granted it means that if a claimant loses a case, they do
 not have to pay adverse costs. This of course is not the norm, since the general position in civil cases in England and
 Wales is that the loser pays the winner's legal costs as well as their own.
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 Wales is that the loser pays the winner's legal costs as well as their own.



PROPOSALS TO REGULATE NHS MANAGERS

The Government are proposing to introduce a Leadership and Management framework that will include a Code of Practice, a set of core standards and a development curriculum for managers.

NORTHERN IRELAND GENDER PAY GAP INFORMATION REGULATIONS

The Northern Ireland Government are considering consultation responses in connection with proposals in relation to section 19 of the Employment Act (Northern Ireland) 2016, which sets out an employer's obligation to publish gender pay gap information.

PRUDENTIAL REGULATION AUTHORITY AND THE FINANCIAL CONDUCT AUTHORITY – RENUMERATION REFORMS

This consultation sought views on how both the Prudential Regulation Authority (PRA) along with the Financial Conduct Authority (FCA) could make the remuneration regime for dual regulated firms, more effective, simple and proportionate in its aim in ensuring accountability for risk taking.

EUROPEAN DATA PROTECTION BOARD - GUIDELINES ON PSEUDONYMISATION

The European Data Protection Board's consultation sought public input on new guidelines proposed on Pseudonymisation.

FINANCIAL REPORTING COUNCIL - STEWARDSHIP CODE

This was a consultation to seek input on updates made to the Stewardship Code. This code promotes transparency, disclosure and accountability when it comes to the responsible allocation, management and oversight of capital by the institutional investment community.

GUIDANCE

NEW PUBLIC GUIDANCE ON THE EQUALITY ACT 2010 MEANING OF 'SEX'

Following the UK Supreme Court's judgment last month in case 'For Women Scotland v The Scottish Ministers', the Equality and Human Rights Commission (EHRC) have issued an interim guidance on the practical implications of the ruling.

The ruling now legally requires employers to treat 'sex' under the Equality Act 2010 to mean biological sex. In other words:

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- If somebody identifies as trans, they do not change sex for the purpose of the Equality Act, even if they have a Gender Recognition Certificate (GRC)
- A trans woman is a biological man
- A trans man is a biological woman.

This is exceptionally sensitive and requires careful and considerate handling due to its significant implications. Based on the interim EHRC guidance published recently, we have created a <u>new article setting out our assessment of the judgment</u>. however, we would advise you seek advice in you have a situation that you are managing.



CASE RULINGS



WHAT COUNTS AS A "SERIES OF DEDUCTIONS" IN CLAIMS FOR UNLAWFUL DEDUCTION FROM WAGES?

OVERVIEW

This is a case that deals with unlawful deduction from wages claims and specifically examines what is meant by a "series of deductions".

Under the Employment Rights Act 1996 (ERA), where there are two or more deductions, it is a question of fact that is relevant to the circumstances that must be considered when determining if they form a "series" of deductions.

The ERA requires a claim to be lodged within three months of the date of the deduction, or where there is a series of deductions, the date of the last deduction in a series. So the question of what forms a series is fundamental in establishing if a claim can be made.

THE CIRCUMSTANCES

In 2023, in the case, of Ms. A Deksne versus Ambitions Ltd, the Employment Tribunal (ET) struck Ms Deksne's claim for the unlawful deduction from wages out. She had claimed that her holiday pay prior to December 2020 had been miscalculated. The ET considered her claim to be out of time due to the timeframes and relied on the ruling in Bear Scotland v Fulton in 2014 which said that where an employee is obliged to work overtime (when requested), the additional hours must be included when calculating holiday pay. It was also in this case that it was ruled that claims must not have a gap of three months or more between holiday underpayments. As a result of this case, the Deduction from Wages (Limitation) Regulations 2014 came into force, bringing in a 'back stop' so that employees could not bring a claim for unlawful deductions from wages for matters going back more than two years.

Ms. Deksne appealed this decision arguing that all holiday pay short falls since the beginning of the two year backstop should be considered part of a series even though there had been gaps of more than three months between them.

For the Employment Appeal Tribunal (EAT), the primary issue was if the unlawful deduction from wages in regards to her holiday pay had been a series of deductions. If so, then her claims relating to deductions prior to December 2020 would be valid.

THE JUDGMENT

The Employment Appeal Tribunal (EAT) found that the original ruling at the ET had erred in its application of the law regarding the series of deductions. It concluded that the reliance on the case of Bear Scotland was wrong, particularly given that a further judgment had been ruled in the Supreme Court in the case of Chief Constable of the Police Service of Northern Ireland V Agnew.

It was in this case that the Supreme Court considered how the Working Time Regulations (WTR) and the Employment Rights (NI) Order 1996 (ERO) interacted with each other as each set out a different approach to how far back claims can be raised. But the Supreme Court ruled that the ERO should be followed by allowing claims of underpayments to be brought within three months of the last in the series of deductions. Meaning that claims can be brought for periods that go much further back than the timeframe set by the WTR.

So if underpayments can be linked, then the <u>Agnew case</u> tells us that they can form a series, when considering the facts of the case and in doing so, employers must consider all relevant facts including:

- The similarities and differences between the deductions
- The frequency of the deductions
- The size and impact of the deductions
- How they came to be made and
- What links the deductions together



For Ms Deksne, the EAT concluded that the original tribunal had therefore been incorrect to conclude that the gap between deductions exceeded three months because in fact, all the underpayments of holiday pay had been because they had been based on the same calculation method. Therefore, forming part of a series of deductions.

The EAT concluded that Ms. Deksne's claim was within scope and that the total amount of unlawful deductions which included those prior December 2020, was £496.75.

LEARNING POINTS FOR EMPLOYERS

The case highlights the importance of correctly calculating holiday pay and the interpretation of what constitutes a series of deductions under employment law. The ruling ensures that employees can claim for a series of underpayments even if there are significant gaps between them.

Accurate Calculation of Holiday Pay: Ensure that holiday pay calculations are accurate and comply with legal requirements, including using the correct average pay calculation methods.

Understanding Series of Deductions: Recognise that a series of deductions can span over time, and breaks of more than three months do not necessarily disrupt the series.

Timely Addressing of Claims: Address employee grievances and claims promptly to avoid legal disputes and ensure compliance with statutory time limits.

Documentation and Record-Keeping: Maintain accurate and detailed records of pay calculations and communications with employees to support the company's position in case of disputes.

Legal Compliance: Stay updated with legal precedents and rulings to ensure that company policies and practices are in line with current employment law.

FUTURE DEVELOPMENTS

The Employment Rights Bill, when passed, will introduce a new enforcement body called the Fair Work Agency. One area of employment that will fall under its remit is in the payment of holiday pay. They will be given powers to penalise employers and will also be able to lodge employment tribunal claims on behalf of a claimant. Furthermore, under the Employment Rights Bill, a claimant will have six months in which to lodge a claim rather than the current 3 months. Employers are lawfully allowed to operate separate legal treatment for those with a GRC, versus those whose sex is defined by biology – however, a transgender employee must not suffer from unfair treatment.

We are reviewing the full detail of the judgment and will be providing specific guidance in this very sensitive area in due course.

SUPREME COURT 'FIRE AND RE-HIRE' TESCO JUDGMENT FINDS IN FAVOUR OF DISTRIBUTION WORKERS

OVERVIEW

With the forthcoming changes due around fire and rehire practices, it is useful to understand some of the reasoning behind the proposals for the reforms in this area of employment law.

As you will read, the case below is a reminder of the current risks associated with "fire and rehire" tactics when dealing with contractual benefits. Under the proposals set out in the Employment Rights Bill, employers will no longer be able to force through a change to contractual terms. In doing so, it would mean any dismissal would be automatically unfair if the main reason (or principal reason where there is more than one) is because:

- The employer attempted to change contractual terms, but the employee did not agree, or
- The employer hired another person to carry out the similar duties/substantially the same duties as the employee had carried out before being dismissed.



CASE

The case of Tesco Stores Ltd v Usdaw concerns a legal dispute between Tesco Stores Ltd and its employees, represented by the shopworkers' union, USDAW. The case revolves around Tesco's attempt to remove a contractual entitlement known as "retained pay" (RP), by dismissing and rehiring them on lower pay, a tactic commonly referred to as "fire and rehire." The UK Supreme Court ruled in favour of the employees, holding that Tesco could not terminate employment to deprive staff of their RP. The Supreme Court reinstated a High Court injunction that prevented the company from terminating employment contracts in order to remove the RP entitlement, significantly curbing the use of fire-and-rehire practices.

THE CIRCUMSTANCES

The major UK supermarket chain faced legal challenges from a group of distribution workers represented by the Usdaw trade union. These employees had received a "retained pay" supplement, introduced in 2007 when Tesco closed several distribution centres. The RP was offered as an incentive for employees to relocate to new centres instead of opting for redundancy. This arrangement was negotiated as a permanent contractual benefit between Tesco and Usdaw.

In 2021, Tesco sought to eliminate the RP by offering affected employees a lump sum payment in exchange for relinquishing their entitlement. When some workers declined this offer, Tesco announced plans to terminate their contracts and rehire them under new terms, without the RP. This sparked the legal battle that ultimately led to a ruling by the UK Supreme Court.

Tesco had argued that it retained the right to terminate the contracts of affected employees with the appropriate notice, a provision that was also part of the employment contracts. However, employees, backed by USDAW, challenged this approach, arguing that Tesco's actions were aimed solely at removing their contractual right to RP, which had been contractually agreed as permanent.

The employees sought an injunction to prevent Tesco from terminating their employment for the sole purpose of removing the RP entitlement. Initially, the High Court ruled in favour of the employees, granting an injunction that prevented Tesco from following through with its termination plans. However, the Court of Appeal reversed this decision, leading the employees to escalate the case to the Supreme Court.

THE CLAIMS AND JUDGMENT FINDINGS

The employees claimed that Tesco's actions were an improper use of its contractual right to dismiss. Their primary argument was that while Tesco had the contractual right to terminate employment with notice, this right could not be exercised solely to deprive employees of their RP.

Tesco argued that the RP term simply meant that the entitlement to RP would be "permanent" for the duration of the contract and that they were entitled to terminate the contract with notice. The Supreme Court rejected this, explaining that it gave no substance to the promise made to the employees that the RP would be "permanent". The correct interpretation of the RP term is that the right to receive RP will continue for as long as employment in the same role continues, subject only to the way in which the RP term was drafted. Within the contractual terms for the RP, Tesco had not included any timescales or other limitations that would entitle them to stop paying RP. The judges held that the promise of RP is deprived of its value if there is nothing to prevent Tesco unilaterally terminating the employment, at any time, to defeat it.

Therefore, the Supreme Court agreed with the employees, stating that whilst Tesco did have the contractual right to dismiss, this was subject to the implied permanence of the RP which made it a fundamental part of the contractual relationship and therefore, unlike other terms, could not be removed through dismissal and rehiring.

It is a general rule that employers are not ordered on how to behave toward their staff i.e. how to perform the employment contract, particularly where a financial award (damages) are an adequate remedy. However, an exception to this is where there has not been a break down of mutual trust and confidence. The Supreme Court found there was clearly no breakdown here as Tesco had intended to immediately rehire the staff. Additionally, the court found that damages would not be an adequate remedy for the employees, given the difficulty of assessing the losses associated with job satisfaction and career development. Therefore, the court reinstated the injunction preventing Tesco from dismissing the employees to remove RP.

LEARNING POINTS FOR EMPLOYERS

This case highlights the risks associated with "fire and rehire" tactics, especially when dealing with contractual benefits specifically described as "permanent." While currently, under existing law, employers may have the right to terminate an employment contract with proper notice, that right cannot be exercised for purposes that undermine the intention of express or implied contractual obligations, such as retention payments as an alternative to redundancy.



FUTURE DEVELOPMENTS

The Employment Rights Bill includes the reform to prohibit employers from forcing through a change to contractual terms. In doing so, it will mean that any dismissal would be automatically unfair if the main reason (or principal reason where there is more than one) is because:

- The employer attempted to change contractual terms, but the employee did not agree, or
- The employer hired another person to carry out the similar duties/substantially the same duties as the employee had carried out before being dismissed.

This reform has the potential to come into force as early as October 2025. Once it does, it will become much harder to force through any contractual changes. If there are changes to contractual terms necessary, then it is recommended that this is considered prior to the ban on fire and rehire coming into force. Before the reform comes into force, ensure you comply with the Government's Code of Practice on dismissal and re-engagement.

PAYROLL

FND OF YEAR REPORTING!

Employers must get ready to make their last full payment submission or employer payment summary, which must include up to and include 5 April 2025. Don't forget, HMRC require employers to indicate on the submissions that it is their final submission and that everything that needs to be sent has been.

P60

This is a reminder that for employees who are in your employment on 5 April 2025, you must provide them with a P60 by 31 May 2025.

EMPLOYERS INVITED TO PARTICIPATED IN THE ANNUAL LOW PAY COMMISSION CONSULTATION

Each year, the Low Pay Commission (LPC) recommends to the Government new minimum wage rates for the coming April. In readiness for their submission this autumn, the LPC have opened a <u>public consultation</u> in which it seeks views from members of the public and employers.

The consultation is now open and runs until 30 June 2025. If you would like to have your say, you can participate online here.

MANDATORY PAYROLLING OF BENEFITS IN KIND

HMRC have announced a delay to the mandatory payroll reporting of benefits in kind. It had been planned to take effect from April 2026 but has been delayed until April 2027. The Government have made this decision to allow employers, software providers and other stakeholders, more time to prepare for the change.



HEALTH & SAFETY



PROPOSED AMENDMENTS TO THE HEALTH & SAFETY AT WORK ACT 1974

A Private Member's Bill 'Health and Safety at Work etc. Act 1974 (Amendment) Bill', introduced into parliament by Liz Saville Roberts of Plaid Cymru, and aims to amend the existing Health and Safety at Work Act 1974 by:

- placing a requirement on employers to take proactive measures to prevent violence and harassment in the workplace.
- to make provision for protections for women and girls in the workplace
- to require the Health and Safety Executive to publish a Health and Safety Framework on violence and harassment in the workplace, including violence against women and girls.

Private Members' bills are public bills introduced by MPs and Lords who are not government ministers. As with other public bills their purpose is to change the law as it applies to the general population. A minority of Private Members' bills become law but, by creating publicity around an issue, they may affect legislation indirectly.

Like other public bills, Private Members' bills can be introduced in either House (Commons or the Lords) and must go through the same set stages. However, as less time is allocated to these bills, it is less likely that they will proceed through all the stages.

The next stage for this Bill is a Second reading, which is scheduled to take place on Friday 20 June 2025 in the house of commons.

GRENFELL ENQUIRY PHASE 2

Following phase 2 of the <u>Grenfell enquiry</u>, the government has issued its report accepting all the recommendations, of which there are 58. Over the coming months and years, we will begin to see these changes implemented. Some key changes organisations may need to be aware of include:

- Move towards a single construction regulator. The government will publish a Regulatory Reform Prospectus and
 consult on the design of the regulator later this year before bringing forward the necessary legislation to establish it
 later in the Parliament.
- Fire safety related functions will move from the Home Office to the Ministry of Housing, Communities and Local Government (MHCLG)
- The government plans to legislate to make it a mandatory requirement for fire risk assessors to have their competence to perform this critical role independently verified by a United Kingdom Accreditation Service (UKAS) accredited certification body.

There will also be changes to Approved Document B – Building Regulations:

- From March 2025, all newly constructed care homes must be fitted with sprinkler systems, limit compartmentation areas to a maximum of 10 beds and self-closure devices must be fitted to all fire doors.
- From September 2026, a secondary staircase must be provided in all newly constructed residential premises over 18 metres in height.
- From September 2029, removal of references to BS476, the British Standard for fire tests on building materials and structures, covering various aspects like heat emission, ignitability, and fire resistance will be replaced with the European Standard BS EN 13501.

DISPLAY SCREEN EQUIPMENT (DSE)

What is DSE? DSE is the use of a device or equipment with a graphic display screen i.e. laptop, tablet, touch screen device, display screens and other similar devices.

'DSE users' are workers who use DSE equipment as part of their work for continuous or near continuous periods of an hour or more at a time daily. The Health and Safety Executive (HSE) Summary Statistics (<u>UK - 2023/2024</u>) reports 543,000 workers are suffering from work-related musculoskeletal disorders (MSD's) of which 168,000 of these are new cases. For businesses this equates to 7.8 million working days that are lost.



HR Solutions Monthly Newsletter

From these statistics the areas of the body most affected (by percentage) include the back 43%, upper limbs or the neck 37% and lower limbs equalling 20%. Some contributing factors were poor posture, incorrect workstation setup, lack of breaks or repetitive work.

Injuries from improper or prolonged DSE use, or poorly designed workstations may lead to a variety of musculoskeletal disorders (MSDs) resulting in pain to neck, elbow, wrist and including backache. If the lighting is not sufficient, workers can suffer from headaches or eye strain, fatigue and stress. These can have a serious impact on workers' ability to perform their job, their quality of life, and in some cases their ability to stay at work to earn a living.

Looking for potential hazards and putting control measures in place early, is an effective way of managing the risk and meeting your businesses duty of care.

DUTY TO MANAGE RISKS FROM THE USE OF DISPLAY SCREEN EQUIPMENT (DSE)

The Health and Safety (Display Screen Equipment) Regulations 1992 place duties on all employers to manage the risks from DSE activities. The main requirements of these regulations include:

- Implement a DSE Policy identifying clear guidelines for DSE use
- To carry out a suitable and sufficient workstation risk assessment used by workers to identify and reduce the risks, introduce control measures
- Ensure workers take regular breaks away from the screens, recommendation 5 minutes every 30 minutes to undertake alternative work
- Provide training and information to workers so they are aware how to properly adjust workstations (desk and chair)
- Provide eyesight tests for DSE Users, free of charge
- Provide a well illuminated and temperature-controlled working environment
- Review the assessment for a new user, where there are significant changes to a workstation or where there are reports of ill health cause by DSE use
- Undertake a suitable and sufficient workstation assessment for any New & Expectant Mothers

WORK AT HEIGHT

Working at height is one of the leading causes of fatalities and workplace injuries. HSE annual statistics advise that 50 workers were killed from a fall from height in the year 2023-2024.

It is important that businesses understand the importance of developing risk assessments for work activities and provide training when using elevated platforms. Only authorised persons should be permitted to operate these types of equipment.

RECENT PROSECUTION

Bury Metropolitan Borough Council pleaded guilty to breaches of section 2 (1) of the Health and Safety at Work etc Act 1974 when they failed to ensure 'so far as was reasonably practicable' the health, safety and welfare of their employees. The Borough Council was fined £200,000 and ordered to pay costs.

A 20ft Christmas tree was being installed at Bury market for the town's annual festivities by an external company. A worker employed by the Council was injured during this installation, the employee was using a scissor lift to straighten the Christmas tree when the tree toppled over with the employee still in the basket. The employee suffered severe right-hand injuries, concussion and bruised ribs. The employee required an operation on his leg after sustaining a large cut and was left using a wheelchair and crutches. The employee was away from work for two months and on his return only able to work restricted hours and duties during his ongoing recovery.

The investigation found that:

- The Council had failed to provide the employee with any training on the safe use and operation of a scissor lift and failed to undertake suitable and sufficient risk assessment for the work activity being undertaken.
- It was also found if a suitable and sufficient risk assessment had been developed the danger would have been identified restricting the use of the scissor lift to employees with suitable training.



INTERESTING HR STATISTICS



NAVIGATING THE SHIFTING LANDSCAPE OF STATUTORY SICK PAY: KEY INSIGHTS FROM OUR WEBINAR

In our latest webinar (which you can watch on demand here), we explored the employment reform that is set to significantly change how employers calculate and process statutory sick pay (SSP). As we usually do in our live events, we used polls to garner insightful responses from attendees across various business sizes and sectors. Anonymous polling during the session revealed key areas of concern, preparedness, and planned actions.

INTRODUCTION

Currently, SSP eligibility requires employees to have average weekly earnings at or above the Lower Earnings Limit (currently £125). Those meeting this threshold receive SSP from their fourth day of absence.

The Employment Rights Bill (ERB) proposes the following key changes:

- Removing the 'waiting days' and paying SSP from the first day of absence
- Removing the Lower Earnings Limit, making all employees eligible for SSP.
- Replacing the lower earnings limit with a new method for calculating SSP for low earners. This will be the lower of 80% of their average weekly earnings or the current flat rate (£118.75).
- SSP compliance will be one of the areas that will fall under the remit of the newly formed Fair Work Agency and will have the power to address and penalise non-compliance.

During the webinar, we explored the reforms, strategies that could be introduced to prevent and manage short term and the latest best practice. Our engagement on the topic was insightful, here is a summary of findings:

Awareness and Consideration of Forthcoming Statutory Sick Pay (SSP) Changes:

Awareness of the forthcoming changes to SSP legislation seems split. Many respondents indicated they were aware of the reforms expected but a substantial number also indicated they did not.

Among those aware of the reforms, consideration of the implications for their business was mixed, with a number stating "Yes" and others "No" or leaving the field blank.

Biggest Perceived Impact of Changes:

The most frequently cited biggest impact is "Increased SSP claims/sickness absence." This suggests a primary concern that the legislative changes will lead to a higher volume of sick pay claims.

"Budgeting" is another significant concern, indicating that businesses anticipate a financial impact from the changes.

Other impacts mentioned include "Sales and productivity," "HR policy changes," and "Systems," although these are less frequent.

Planned Steps in the Coming Months:

The most common action businesses intend to take is to "Review and update our policy and internal processes." This proactive step suggests an effort to ensure compliance and manage the changes effectively.

Many businesses also plan to implement a "Strategy to enhance employee health and wellbeing," indicating a potential move towards preventative measures to mitigate increased sickness absence.

"Explore early intervention measures - EAP etc." is another recurring action, showing an interest in providing support to employees to prevent prolonged absences.

Several businesses also plan to "Review our sick pay scheme," likely to understand how their existing schemes interact with the statutory changes.



Operation of Enhanced Sick Pay:

The responses regarding enhanced sick pay are quite varied, with a mix of "Yes," "No," and blank entries. This suggests that some businesses already offer more generous sick pay than the statutory minimum, while others do not. During the webinar, we discussed the reforms that are also being introduced in regards to the banning of "fire and rehire" which will have significant implications for an employer that wishes to push through contractual changes. It therefore was explored about any contractual changes being reviewed sooner rather than later.

Overall Summary:

Businesses, particularly medium-sized ones, are engaged with the topic. A significant concern revolves around the potential for increased SSP claims and the associated budgetary implications. While awareness of the forthcoming SSP changes is present, it's not universal, and the consideration of these implications varies. The most common planned actions involve reviewing and updating internal policies, focusing on employee wellbeing, and exploring early intervention strategies. The prevalence of enhanced sick pay schemes is mixed across the surveyed group.

The data from this webinar provides valuable insights into the perspectives and preparations of businesses facing upcoming changes to statutory sick pay. While awareness of the reforms is high, the primary concerns revolve around potential increases in sick leave and the associated budgetary pressures. The planned actions indicate a focus on policy updates and, encouragingly, a proactive consideration of employee wellbeing. The variation in the operation of enhanced sick pay schemes highlights different approaches to employee benefits and potentially varying levels of preparedness for the legislative changes. As the implementation date approaches, it will be interesting to see how these anticipated impacts and planned strategies unfold in practice.

EMPLOYMENT TRIBUNAL BACKLOG INCREASES BY 23%

HM Courts and Tribunals Service recently published statistics relating to employment tribunal claims, providing an insight into the current backlog situation. As of the end of December 2024, there were:

- 43,000 single claim cases currently active (single claims are made by a sole employee/worker)
- 424,000 multiple claim cases active (these are where two or more workers bring proceedings relating to the same facts)

When you compare this latest data to a year previous, it illustrates a significant increase. The number of active single claims have increased by 10,000 and the number of active multiple claims have increased by 7,000.

Information collected by the Ministry of Justice shows that the average wait time for a single claim of either unfair dismissal or discrimination is approximately one year. However, with the forthcoming employment reforms, we can expect the backlog to increase, and therefore expected timeframes extended, unless more investment in the judicial system is made.

Under the Employment Rights Bill, one reform is the extension of time to be given to claimants for lodging a tribunal claim from 3 to 6 months. This is most likely going to lead to more claims being submitted. This reform has the potential to be introduced from October 2025, although this hasn't been confirmed, employers would be best planning for this change on this basis.

Another key reform is the introduction of a new Fair Work Agency. This new enforcement body will not only be able to award penalties to employer for non-compliance to several employment rights (holiday pay, sick pay etc), but it will be able to lodge an employment tribunal claim on behalf of an employee – even if the employee does not want this.

Finally, with the vast number of reforms, the extended timeframes for implementation and the complexity of some, it could risk inadvertent non-compliance, but this is unlikely to be an acceptable reason when defending claims given the information in circulation, which includes free information published by Government departments, and public bodies like Acas or the Equality and Human Rights Commission.

LABOUR MARKET OVERVIEW

The latest data from the Office for National Statistics (ONS), in their Labour Market Overview, published 13 May 2025 shows the following economic indicators:

EMPLOYMENT

For the period January to March 2025:

- Employment levels for those aged 16+ remained generally unchanged at 75%
- Unemployment levels increased on the quarter to 4.5
- The number of the working age population who are economically inactive fell in the period to 21.4%



PAYROLLED

Estimates for April 2025

- There were 30.3 million payrolled employees; a decline of 106,000 from April 2024
- Estimates for April 2025 indicate that median monthly pay has increased by 6.4% compared with April 2024
- Annual growth in real terms, adjusted for inflation using the Consumer Price Index reduced by 0.03% to 1.8% and for regular pay, reduced by 0.02% to 1.7%
- The highest annual growth in median pay for April 2025 was in the accommodation and food services activities sector
- Annual average regular earnings growth reduced to 5.6% for the private sector as well as for the public sector, to 5.5% for the public sector
- Average weekly earnings increased to an estimated at £722 (+ £6) for total earnings and slight increase for regular earnings to £671 (increase of £1).

REDUNDANCIES

The number of people reported redundant in the period decreased to 3.8 per thousand employees.

VACANCIES AND JOBS IN THE UK

- The estimated number of vacancies for the period February to April 2025 fell by 42,000 (5.3%) on the quarter to 761,000. This is a large decrease when compared to the previous quarter of January to 2025 March, which had an estimated number of vacancies of 781,000
- Total estimated vacancies, for the same period, were also down for the second consecutive quarter of 131,000. In total over the last two quarters, the total vacancies have decreased by 256,000.
- The number of unemployed people per vacancy was 2.1 (January to March 2025), an increase from 1.9 in the period October to December 2024.

APRIL JOB MARKET REVIEW

Each Month, Reed.co.uk, publish their job market review, here is the data for April, published 9 May 2025:

- They report that the job market has weakened, which is believed to be as a result of the increased employment costs
- The number of jobs posted with Reed, dropped by 7% which is believed to be linked to the Easter period (although it could also be connected to the rise in employer costs)
- The engineering sector saw the biggest increase in jobs advertised when comparing to the previous month, followed by IT.
- The South East of England continues to have significantly more job postings than other areas of the UK (not including Northern Ireland), with Wales, and the Northeast of England with the fewest.

Got questions?

If you need any further guidance or have any HR-related queries, feel free to get in touch with us. You can also browse through our previous newsletters for more insights and <u>updates here</u>.

